

in FILE 1 (Part I).

LOS ANGELES TIMES
11 April 1987

Soviet Executions of Six Informers for U.S. Reported

By MICHAEL WINES and RONALD J. OSTROW, *Times Staff Writers*

WASHINGTON—At least six Russian citizens working secretly for U.S. intelligence agencies within the Soviet Union have been arrested and executed since late 1985, apparently because of security compromises at the U.S. Embassy in Moscow, government sources said Friday.

The deaths, which American officials say they learned about during the course of more than a year, effectively ended some of the United States' most productive and well-placed intelligence operations inside Soviet borders, those sources said.

And those operations were carefully "wrapped up and disposed of" by the Soviet secret police, in ways that diverted U.S. suspicion away from the embassy as a source of the devastating intelligence leaks, American investigators studying the Moscow spy scandal now suspect.

"It was all managed in a way to lead us away from the embassy," one official said, "even as some of our most sensitive Soviet operations were going belly-up."

An Agonizing Position

Thus for more than a year, U.S. counterintelligence experts apparently were in an agonizing position: seeing their Russian sources snuffed out one by one, despite desperate but misdirected American efforts to find what now appears to have been the fatal breach in security—the apparent actions of two Marine guards who let Soviet spies into the Moscow embassy.

The final damage assessment, which includes estimates from a variety of intelligence agencies and other offices, is far from complete, according to that source, but the losses are grave.

"It will take us at least 10 years to recover from this," another U.S. official agreed, "and we better not get into a war during that period, either. I'm guilty of a little hyperbole, but not much."

In a related development, U.S.

sources said a top FBI counterintelligence expert gave President Reagan and other senior Administration officials a devastating critique of Moscow embassy security after secretly conducting a top-to-bottom sweep of the outpost in 1983.

Delivering a lecture and slide presentation that stunned some U.S. officials, the FBI expert re-

portedly said embassy security was so slipshod that the KGB could have penetrated the mission's three "secure" floors even then, avoiding both guards and alarm systems.

The report, however, had little impact on the embassy's approach to internal security, some sources said.

The Russian citizens who were executed by the Soviets—"U.S. assets," in the jargon of the intelligence community—may include informers for American military intelligence agencies as well as the CIA, one source said.

Although the growing losses of Russian agents caused serious concern among U.S. intelligence officials, it was only last month—with the espionage-related arrest of Marine Cpl. Arnold Bracy at the Moscow embassy—that U.S. attention focused on the embassy as the likely source of the problem.

Embassy security breaches were still believed to be minor when the first Moscow Marine guard to be arrested, Sgt. Clayton J. Lonetree, was taken into custody last December.

At least some of the string of intelligence losses in the year preceding Lonetree's arrest may have been blamed at the time on another accused spy, former CIA agent Edward Lee Howard, who had fled the United States in September, 1985.

CIA Contact Executed

Howard is known to have led the Soviets to one CIA contact, Moscow aerospace engineer A.G. Tolkahev, in the summer of 1985. The Soviets said last year that they had tried and executed Tolkahev for spying.

Three knowledgeable U.S. officials said Friday that a series of U.S. contacts and operations began to fold up within months of Howard's disappearance, continuing through 1986 and, by one account, into 1987.

But American alarm over the losses began to grow sometime last year, when "lights began going out in a way that couldn't be linked to Howard," one official said.

Word of the Soviet executions has surfaced at a time when U.S. specialists are beginning to believe that the Moscow spy cases, regarded as fairly minor last winter, may be among the most damaging intelligence blows to the United States in decades.

Names Given to KGB

Besides giving the KGB the names of U.S. contacts within the Soviet Union, officials said, the security lapse allowed the Soviets to intercept most of the embassy's communications during the last year and to gain access to the State Department's "most sensitive" documents.

Investigators consider the executions to be the most serious loss to flow from the Moscow embassy fiasco, followed closely by the "compromise of communications" and the loss of top-secret documents, one official said.

Experts "sweeping" the Moscow embassy for eavesdropping equipment have found and removed a number of sophisticated Soviet listening devices in recent days, one official said. Yet with only days remaining before Secretary of State George P. Shultz arrives in Moscow for arms-control talks, it is far from clear that all of the "bugs" have been uncovered.

In Washington, analysts have now confirmed evidence reported earlier that KGB agents penetrated all of the embassy's most heavily secured areas, including secure safes and document files in the office of the CIA's Moscow station chief, as well as the offices of former U.S. Ambassador to the Soviet Union Arthur A. Hartman and the embassy's coding and communications center.

STAT

Paper Reports Executions

The Washington Times, which reported "a number" of Soviet executions of CIA contacts in a Friday article, quoted unnamed Administration officials as saying the Marine spying case had compromised U.S. intelligence operations outside as well as inside Soviet borders.

That report could not be independently confirmed, but investigators are known to be studying American missions in Rome and Eastern Bloc nations as well as in Moscow and Leningrad, the focus of the spy probes.

The 1983 analysis of embassy security problems helped spur a proposal to remove hundreds of Soviet nationals from jobs as embassy secretaries, housekeepers and other functionaries.

But by one account, resistance in both the State Department and the U.S. intelligence bureaucracy continued to slow efforts to beef up the embassy's counterespionage defenses.

One source said the FBI expert attempted to present the analysis to Hartman but was not allowed to do so during a private meeting with the ambassador four years ago. That account could not be confirmed Friday.

The FBI expert was dispatched to Moscow only after repeated warnings about Moscow embassy security from the super-secret National Security Agency had gone unheeded by both the State Department and the White House, one

knowledgeable official said.

The NSA, which manages most communications security and intelligence gathering for the government, reportedly issued warnings in 1977, 1979 and the early 1980s that the KGB had established an information beachhead within the mission.

In 1984, a surprise inspection of Moscow embassy office and communications equipment turned up highly sophisticated miniature transmitters, concealed in hollowed-out metal frames of electric typewriters.